# SECOND AMENDMENT TO THE ADOPTED TERMS BETWEEN

# VERIZON NORTH INC. F/K/A GTE NORTH INCORPORATED AND

## LAKEFIELD COMMUNICATIONS, INC.

#### THIS SECOND AMENDMENT TO THE ADOPTED TERMS

("Amendment") is entered into on this 19<sup>th</sup> day of January, 2001, by and between Verizon North Inc. f/k/a GTE North Incorporated ("Verizon") and Lakefield Communications, Inc. ("LCI") (Verizon and LCI being referred to collectively as the "Parties" and each individually as a "Party"). This Amendment amends the Adopted Terms between the Parties pertaining to services provided by Verizon and LCI in the state of Wisconsin (the "State").

## **RECITALS**

**WHEREAS**, LCI has previously adopted terms (the "Adopted Terms") of the Interconnection, Resale and Unbundling Agreement between Verizon and CTC Communications ("Underlying Agreement") pursuant to Section 252(i) of the Telecommunications Act of 1996 (the "Act");

**WHEREAS**, the Underlying Agreement was approved by the Wisconsin Public Service Commission ("Commission") Order dated September 10, 1997 in Docket No. 2180-MA-104/1455-MA-101, and LCI's adoption of the Adopted Terms was approved by the Commission's Order dated October 26, 1999 in Docket No. 05-TI-254;

**WHEREAS**, the Underlying Agreement, and thus the Adopted Terms, shall terminate or have terminated effective January 3, 2001 (the "Termination Date");

**WHEREAS**, Verizon and LCI are currently in good faith negotiations regarding an interconnection agreement pursuant to Section 251 and 252 of the Act to replace the Adopted Terms (the "New Interconnection Agreement");

**WHEREAS**, LCI has maintained that the Commission would not allow an interruption in service even though the Adopted Terms will terminate or have been terminated; and

**WHEREAS**, in light of the foregoing, and subject to the terms and conditions set forth herein, the Parties agree to amend the term of the Adopted Terms.

#### **AMENDMENT**

**NOW, THEREFORE**, in consideration of the mutual promises, provisions and covenants herein contained, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. The Parties hereby agree that Article III, Section 2.1 of the Adopted Terms shall be amended and restated in its entirety to read:

Term. This Agreement shall remain in effect until the earlier of the following events: (1) the time period for petitioning for arbitration under Section 252 (b)(1) of the Act has passed without either party petitioning for arbitration; or (2) this Agreement is replaced by a new agreement approved by the Public Service Commission of Wisconsin (subject to the condition that if arbitration is invoked by either party on or before July 3, 2001, either party may terminate the Agreement if the other party withdraws its petition to arbitrate, otherwise acts in bad faith in regard to its obligations under 251 and/or 252 of the Act, or acts in a dilatory manner that frustrates the Commission in its timely approval of a successor agreement). By stipulation between the parties attached hereto as Exhibit A, the last date by which the parties may petition for arbitration under section 252(b)(1) of the Act is agreed to be July 3, 2001. Nothing in this Agreement shall preclude the Parties from a subsequent stipulation and amendment that modifies the date from which timelines under Sections 251 and 252 of the Act are calculated

- 2. Except as provided herein, all other provisions contained in the Adopted Terms, including but not limited to all other terms, conditions and reservations of rights, shall remain unchanged and in full force and effect. Capitalized terms used, but not defined herein, shall have the meaning proscribed to them in the Adopted Terms.
- 3. The Parties intend that, regardless of when this Amendment is approved by the Commission, the effective date of this Amendment shall be January 3, 2001(the "Amendment Effective Date"). In light of this, the Parties hereby agree that their obligations pursuant to the Amendment shall remain in effect during the period when the Commission reviews and approves this Amendment, notwithstanding the Commission's possible initial rejection thereof during such period.
- 4. By entering into this Amendment, Verizon does not waive any right, and hereby expressly reserves each and all of its rights, to challenge and/or defend the legality of certain arbitrated terms, rates and/or charges included in the Adopted Terms ("Arbitrated Terms")<sup>1</sup>, including its rights to assert or continue to assert that: (a) certain

<sup>&</sup>lt;sup>1</sup> Verizon's reservation of rights and positions regarding the Adopted Terms set forth in the Adoption Letter, dated June 10, 1999, and the Underlying Agreement, are reiterated as if fully set forth herein. In addition, Verizon further expressly reserves its rights pursuant to the Adopted Terms in the event that such terms are impacted due to changes in legal requirements, including but not limited to the decisions by the United States Court of Appeals for the District of Columbia on March 7, 2000 (*See GTE Services Corp. et al. v. Federal Communications Commission and the United States of America*, No. 99-1176, *consolidated* 

of the Arbitrated Terms are unlawful, illegal and improper, including, without limitation, the positions stated in any pending or future Verizon court challenge regarding certain of the Arbitrated Terms; (b) the Arbitrated Terms do not afford Verizon the opportunity to recover its actual costs, as mandated by the Act and applicable law; (c) the Arbitrated Terms should not become effective until such time as the Commission has established an explicit, specific, predictable, sufficient and competitively neutral universal service mechanism that provides Verizon the opportunity to recover its actual costs; and (d) certain provisions of the FCC's First, Second, Third and Fourth Report and Order in FCC Docket No. 96-98 and other FCC orders or rules (collectively, the "FCC Orders") are unlawful, illegal and improper. Verizon further expressly reserves its past, present and future rights to challenge and seek review of any and all Arbitrated Terms or any permanent rates or charges established in any generic rate proceeding or any other proceeding, in any court or commission of competent jurisdiction or other available forum.

- 5. By entering into this Amendment, the Parties do not waive, and hereby expressly reserve their respective rights to assert: (a) ESP/ISP Traffic (i.e., any traffic bound to any enhanced service provider or Internet service provider) is (or is not) "local" traffic for which reciprocal compensation is due under Section 251(b)(5) of the Act and/or Part 51, Subpart H of the FCC Rules; and/or (b) that the Party originating such traffic is (or is not) otherwise obligated to pay to the other Party the local terminating switching rate for such traffic.
- 6. This Amendment constitutes the entire agreement of the Parties pertaining to the subject matter hereof and supersedes all prior agreements, negotiations, proposals, and representations, whether written or oral, and all contemporaneous oral agreements, negotiations, proposals, and representations concerning such subject matter. No representations, understandings, agreements, or warranties, expressed or implied, have been made or relied upon in the making of this Amendment other than those specifically set forth herein.
- 7. If any provision in the Adopted Terms conflicts with this Amendment, this Amendment shall control.
- 8. This Amendment shall be solely governed by and interpreted under applicable federal law and Wisconsin law, without regard for any choice of law principles in Wisconsin law.
- 9. This Amendment may be signed in counterparts and may be transmitted by facsimile.

3

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with, No. 99-1201, 2000 U.S. App. LEXIS 4111(D.C. Cir. 2000)) and the United States Court of Appeals for the Eighth Circuit on July 18, 2000 (See Iowa Utilities Bd. et al. v. Federal Communications Commission and the United States of America, No. 96-3321.

**IN WITNESS WHEREOF**, each Party has executed this Amendment and it shall be effective upon the Amendment Effective Date.

| VERIZON NORTH INC.           | LAKEFIELD            |
|------------------------------|----------------------|
| F/K/A GTE NORTH INCORPORATED | COMMUNICATIONS, INC. |
|                              |                      |
| By:                          | By:                  |
| Name:                        | Name:                |
| Title:                       | Title:               |